TENNESSEE GENERAL ASSEMBLY FISCAL REVIEW COMMITTEE

FISCAL NOTE



HB 1751 - SB 1879

March 21, 2011

SUMMARY OF BILL: Requires the constitutional state share of a mandatory cost imposed by the state on local education agencies (LEAs) be equal to the entire cost imposed on the local government.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Exceeds \$12,863,800

Decrease Local Expenditures – Exceeds \$12,863,800

Assumptions:

- According to the Department of Education, the state will fund the entire BEP formula without a local match. The local portion of the BEP in FY11-12 will be \$12,863,754.
- The BEP increases annually.
- It is unknown whether additional bills will pass during the current legislative session that will impose financial mandates on LEAs.
- In FY11-12 and subsequent years, state expenditures will increase exceeding \$12,863,754 and local government expenditures will decrease exceeding \$12,863,754.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

James W. White, Executive Director

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